

**In the specification:**

- Please replace the ~~paragraph~~ beginning at page 6, line 11, which begins "According to the present invention, entities are ...", with the following text:

A2

According to the present invention, entities are provided with economic utility in amounts in proportion to their priority or importance. In one embodiment priority is established by providing more utility to entities of greater priority or importance in avoiding failure of the system or an aspect of the system. This ranking may be done by a system operator or by some dynamic mechanism. Any well known means for ranking or dynamically ~~adjustment~~ adjusting may be used. However, rather than allocating a "quantity" of utility to obtain resources, the present invention uses utility to allocate the "possibility of failure due to lack of resources". That is, an entity purchases guarantees of service but these guarantees can be withdrawn if another entity is willing to pay more.

- Please replace the ~~paragraph~~ beginning at page 22, line 22, which begins "Turning to Figure 8, ...", with the following text:

A3

Turning to Figure 8, the resource allocation mechanism 72 contains a local representation of resources and other agents that the agent has usage rights over, i.e. usage rights information, how much that agent is currently using of other agents or resources, and if necessary some information from the information or bulletin board area of the resource agent. This information is comprised of information relevant to the capability of other distant agent to provide the service that it has contracted from. This information from the distant information area, which can be in the form of resource representations can be updated periodically or instantaneously.